

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

aHT421
.K4
RESERVE

KEEPING UP WITH
CHaNGE
IN RURAL SOCIETY

U. S. DEPT. OF AGRICULTURE
NATIONAL AGRICULTURAL LIBRARY

NOV 9 - 1970

C & R-PREP.

To see inside
U.S. *CEAF*
UNITED STATES DEPARTMENT OF AGRICULTURE / FEDERAL EXTENSION SERVICE / JANUARY 1970

AD-33 Bookplate
(1-63)

NATIONAL

**A
G
R
I
C
U
L
T
U
R
A
L**



LIBRARY aHT421

**301819 .K4
RESERVE**

FOREWORD

Here is a summary of facts and ideas about agriculture and community life in the United States with some implications for the future. It is largely a condensation of selected papers which were presented to the 1969 Annual Agricultural Outlook Conference, and some related studies.

Agriculture in the United States today is now partly a highly commercialized, technological business and partly a mass of small-scale commercial farms and rural residential places, with both parts having new relationships with nonfarm economic development, generally urban centered. Farming is valued more as a business than as "a good way of life." Counties vary greatly in population trends and economic growth. All this is well summarized in the sections on population changes and economic growth and the closing section on agriculture.

But just as important as the changes in rural economics is the tremendous impact of economic and technological change upon local institutions and community living, with the resultant adjustments that must take place. Rural America is melding with urban America into an interrelated socioeconomy of one total America. These subjects are treated in the other chapters.

Various forces of change are in operation throughout Rural America; tremendous change lies ahead. And the adjustments for meeting the changes involve both economics and human values.

CONTENTS

Population and Economic Growth in the 1960's	
By W. Clark Edwards and Calvin L. Beale. . .	1
Related Urban Trends and Future Growth	
From a Commission Report	10
Trends Affecting Rural Institutions	
By Brice Ratchford	13
Community Change, People and Program Development	
By E. J. Niederfrank	19
The Dynamics of Commercial Agriculture	
By M. L. Upchurch.	31

KEEPING UP WITH CHANGE IN RURAL SOCIETY

Compiled by E. J. Niederfrank, Rural Sociologist, Federal Extension Service

POPULATION AND ECONOMIC GROWTH IN THE 1960's¹

In terms of rural change we probably will not be able to perceive any great differences as one decade meshes into another. However, the dynamics of the 1960's as a total period undoubtedly will set the course of much that takes place during the 1970's.

Nonfarm employment has grown faster in rural and semirural counties than in metropolitan ones so far during the 1960's. However, let us caution that this does not tell us which rural people are living in areas of high economic development, nor which areas are growing fastest. And it conceals a lot of problems that relate to poverty and a general lower level of income in rural compared to metropolitan areas. But population changes do reflect differences in economic development and related conditions. Figures 1 and 2 give one a quick impression of what has happened in this respect.

Most Counties Were Slow-Growing, Low-Income Places in 1960

We have around 3,050 counties in the United States. In 1960, three-fourths of these governmental units were slower-growing, low-income places. That is, they had per capita incomes below the U. S. average and population increases of less than the U. S. average, if not population losses. These slower-growing, low-income counties cover two-thirds of the land area of the United States and contain only one-fifth of the urban residents.

On the average, these counties lost nearly 1 percent of their population each year from 1950 to 1960. This rate is indicative of rapid outmigration. With slightly less than average participation in the labor force, people in these counties held 30 percent of the jobs in 1960. These jobs tended to be lower paying, and accounted for only one-fourth of the aggregate income. These slower-growing, low-income counties contained nearly half of the United States families with incomes under \$3,000 in 1960.

The lower incomes in these counties were largely due either to lower educational attainment or lack of job opportunities. The one-third of the United States population living there had only one-fourth of the high school diplomas. Area incomes were lower partly because many potentially higher-wage earners of working age had migrated to find better jobs. About 52 percent of the population in these counties was either over 65 or under 21,

1/ By W. Clark Edwards and Calvin L. Beale, Economic Research Service, USDA, in paper presented before the Agricultural Outlook Conference, February 1969.

Figure 1

POPULATION CHANGE 1960-66

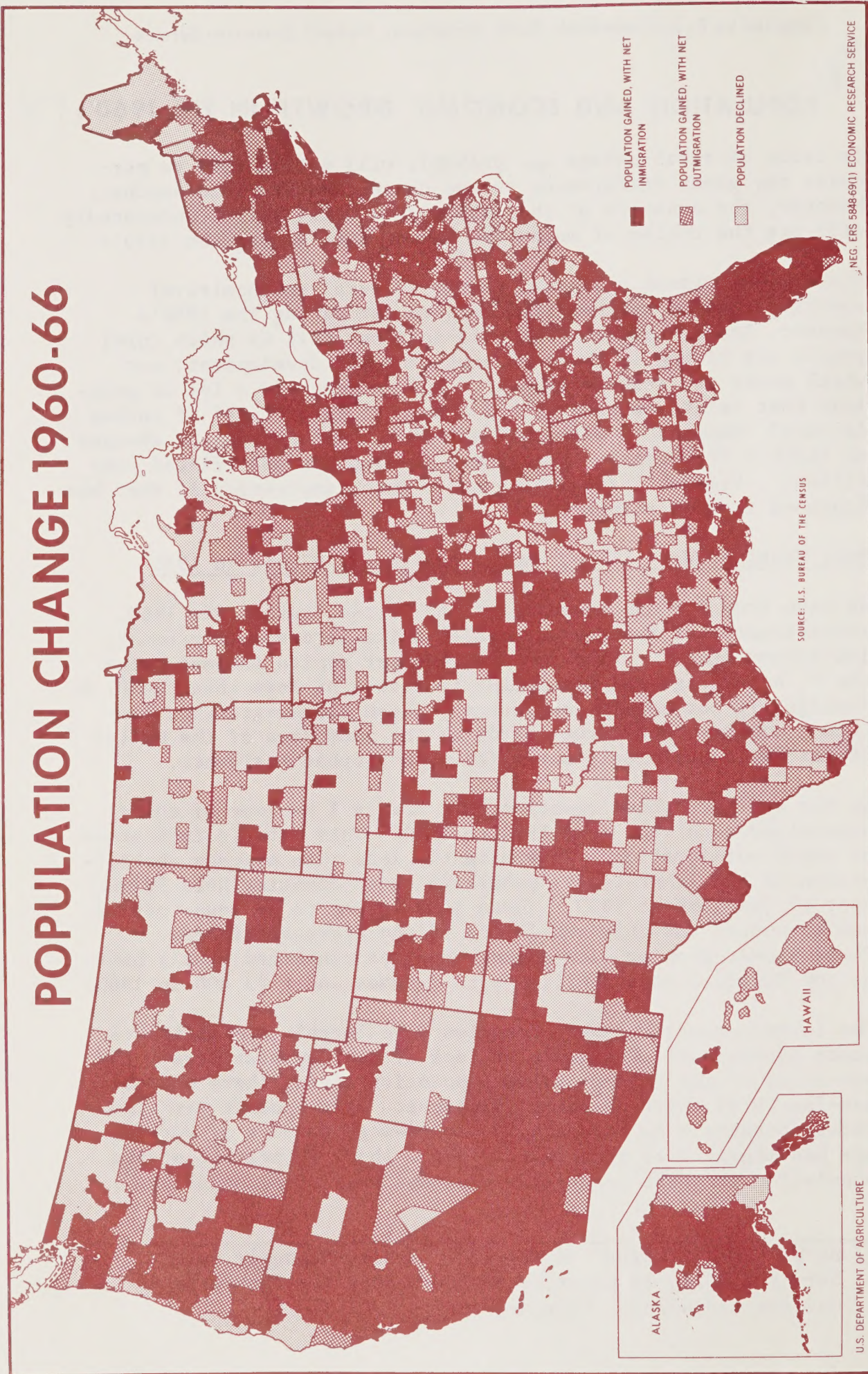


Figure 2 -- RURAL POPULATION CHANGE, 1960-1966



compared with 49 percent for the Nation as a whole. And 4 out of 5 of the counties in the United States have underemployed labor forces--capable of providing more economic output and earning higher incomes.

Half the Rural and Semirural Counties Participated in the General Economic Expansion of the U. S. Economy During the 1960's

A recent Economic Research Service study classified 2 out of 3 of our 3,050 counties as rural or semirural (nonmetropolitan counties wherein the largest urban place contained fewer than 10,000 persons in 1960). ^{2/} Economic growth patterns during the 1960's were estimated from county reports of private nonfarm workers covered under the social security program. In general, this growth appeared to be more correlated to size of urban place within the county than to proximity to a major urban or metropolitan county. That is, growth appeared equally likely in counties that were contiguous to metropolitan areas and to those that were somewhat isolated. But the several counties with decreases in employment over the period tended to be the less populated rural and isolated.

Economic Development Varied by Regions

Rural and semirural counties grew at a faster pace in the South than in the rest of the Nation. Agriculture in this area was gaining a larger share of the total value of farm sales. Growth was from a lower initial level of business activity. Growth was pervasive; about two-thirds of the rural and semirural counties exhibited moderate to major gains in new, nonfarm job opportunities. Growth tended to be faster if the semirural county contained a larger urban place whether or not it was near a metropolitan place.

Moderate to major gains in nonfarm job opportunities were recorded in most of the rural and semirural counties in the Northeast. This was a highly developed, urban/industrial area to start with. Its few dozen rural and semirural counties were relatively densely populated. So the gains did not add up to much in percentage terms. It is hard to say whether the

^{2/} Claude Haren, Economic Research Service, U. S. Department of Agriculture. Manuscript in process.

gains were in some sense caused by the nearness to metropolitan places or whether this association was accidental. Agriculture in this industrial belt was losing some of its relative share of the total national value of farm sales.

About half of the North Central counties reported moderate to major gains in nonfarm jobs and much of this activity appeared to be urban-related. But in the West, only one-third of the rural counties were growing much, even though many major urban and metropolitan areas grew sharply during the period. Growth was especially lower in many counties of the Great Plains and some intermountain areas.

Manufacturing Jobs Were Important in the Growth Process

For the United States as a whole, around 40 percent of employment covered by social security is in manufacturing. The percent of the labor force in manufacturing is even higher in the two areas where rural job expansion was stronger--in the industrial North and through the upper, industrializing South.

Thus, it is not surprising that about half of the added jobs in rural and semirural counties were in the manufacturing sector. In rural areas this sector grew more rapidly than the service sectors. Employment gains in sales, or trade establishments, was particularly sluggish. This suggests that merely adding more manufacturing jobs does not necessarily multiply into additional service job opportunities.

The 50 largest manufacturing companies in 1963 controlled 1 percent of the establishments, employed around 20 percent of the workers, and paid out about 25 percent of the wages and salaries. The more concentrated industries with larger firms offering higher wages were located mostly in the larger metropolitan labor markets.

Much of the growth in rural-located manufacturing employment during 1962-67, on the other hand, tended to be in the less concentrated industries such as textiles, apparel, and sawmills. These were generally smaller firms, using lower-skilled occupations, and paying generally lower wages. In some rural and semirural growth areas, however, new plant additions and expansions did involve large investments per plant and per worker, plants were relatively large scale, paid above-average wages and had a high level of output per worker.

Agriculture in the South and Far West Gained A Larger Share

The value of all farm products sold rose around 3 percent per year during 1959-64. The rise was generally a little faster for crops than for livestock and products; however, within the livestock sector, sales of poultry and products, particularly broilers, rose sharply. Consequently areas heavily in field crops, fruits, vegetables, poultry and products were likely to have a more rapidly growing agriculture than areas depending more on beef, dairying, forestry, or horticultural products.

A recent study by the Economic Research Service ^{3/} shows that the agriculture of the Southern States from Arkansas and Louisiana across to the Atlantic Seaboard was growing faster than in the Nation as a whole. The study also shows above average gains in agriculture in States of Arizona and California, in North Dakota (wheat), and in Michigan (dairy and field crops).

Two regions in the United States were declining in their share of the Nation's farm output. They were declining not only because of an unfavorable mixture of slower growing commodities but also because they were losing ground relative to what might be expected if the regional growth followed national trends. One of these regions stretches through the West from Missouri out to Nevada and from Oklahoma up to Montana. The other blankets an area in the Northeast from New England down to Virginia. The former region is accompanied by continued outmigration, the latter by expanding nonfarm job opportunities.

For all regions, while the value of farm products sold increased 3 percent per year during 1959-64, the number of farms declined 3 percent per year, and agriculture continued to release labor for nonfarm employment. This release of labor from agriculture occurred in all parts of the country whether rural or urban, declining or growing, poor or rich.

There Has Been A Slowdown in the National Rate of Population Growth

Let's turn now to a subject that interests us all--people. What have been the key features of population that relate to these changing economic conditions?

Probably the most important population fact of the 1960's has been the slowing down of increase caused by a decline in the number of births. But, judging from the inquiries we receive from the public, the greatest public interest may be in rural-urban migration.

Let's discuss the birth rate and national growth first. After a rapid increase of births following World War II, there was from the middle 1950's through 1961 a relatively stable annual increase in the U. S. population of about 3 million persons a year. Since then, the amount of growth has fallen each year, and in 1968 amounted to only 2 million. Thus, the absolute rate of U. S. population growth has been cut by a third in 7 years' time and the percentage rate of growth is down by about 40 percent.

The drop in the crude birth rate has not reached a point of serious concern, for the fertility of the population is still more than ample for replacement. Our population growth comes in cycles. In the Thirties we had an extended period of deferment of births. In the Forties and most of the Fifties, the country experienced a making-up of deferred births, plus an advancing of other births, largely through a lowered age at marriage. There was also some real increase in completed family size.

^{3/} Robert Coltrane, ERS, U. S. Department of Agriculture. Manuscript in process.

Now the making-up and advancing are finished and the age of marriage has risen slightly. Furthermore, we have a transition to more effective contraceptive methods. But the number of marriages is now rising steadily as the post-World War II babies come of age, and through sheer force of the numbers of young married couples births should begin to rise again in a year or two.

The drop in number of births has affected every State. In general, it has been greatest in the South, the Midwest, and the Northwest, and least in the Northeast. The drop has been somewhat greater in nonmetro territory (which is primarily rural) than in metro areas. In a broad area of the Prairies and Central Plains (Minnesota, Iowa, the Dakotas, Nebraska, Kansas and Montana) births in nonmetro territory dropped by an average of 25 percent from 1960 to 1966, creating a rapid undercutting of the rural age structure.

During the 1950-60 decade, a net annual average of 1.0 million persons left farms or became nonfarm through cessation of farming operations on their places. For the period 1960-68, the comparable figure has been 3/4 million. Percentage-wise this is still a high rate of loss given the reduced size of the farm population, amounting to a net annual loss through outmigration and reclassification of about 6 percent. There is some evidence that the decline in farm population and employment did slow down between 1967 and 1968.

The decrease of Negro farm people has been particularly sharp, with the near demise of the cotton tenant system and the tendency of sons of Negro farm owners not to follow their father's occupation. The Negro farm population has declined by nearly three-fifths in just eight years.

But with the total farm population now down to 10.5 million, farm people comprise only about 20 percent of the total rural population. Thus, decreases in farm population cannot as readily affect the trend of the total rural population in the future as they did in the past. The rural total is now more affected by such trends as employment in the off-farm phases of agriculture, rurally located nonfarm industries, and commuting to urban jobs.

The evidence indicates that primarily rural counties did much better as a class in retaining their potential population growth from 1960 to 1966 than they did in the 1950's. In the 1950's the rural counties gained 3.3 million in population while also losing a net of 4.6 million migrants. But from 1960 to 1966, they gained 2.8 million population while their outmigration was reduced to about 550,000 or only a fifth of the annual average of the 1950's.

Because of the decline in the birth rate, the growth potential of rural areas was less in the 1960's, but the areas retained the equivalent of a much higher proportion of their growth potential. So despite lower natural increase, rural areas have had a higher population growth rate than formerly.

This improvement has been especially noticeable in the entirely rural counties and those with less than 30 percent urban population, where the rate of outmovement was greatest in the 1950's.

Perhaps the most dramatic change in population trend has come in the East South Central States--Kentucky, Tennessee, Mississippi, and Alabama. These four States embracing the Appalachian heartland, Mississippi Delta, and Black Belt areas--lost a net of 1.5 million people who migrated from their rural areas in the 1950's, but only 164,000 from 1960 to 1966.

Greatest loss of rural population by outmigration occurred in the West North Central States--Minnesota, Iowa, Missouri, the Dakotas, Nebraska and Kansas. These States have contributed more rural net migration to other areas than any other part of the country during the 1960's--some 300,000 persons. By contrast, in the 1950's the South had more rural outmigrants than did the West North Central States. Even so the outflow from the West North Central States is less now, both in number and rate, than it was in the 1950's.

The Atlantic Metropolitan Belt from Richmond to Boston, largely urban, gives evidence of economic growth and in-migration. There are many essentially rural counties, however, in the southern Piedmont, the middle Tennessee Valley, eastern Oklahoma, and northern and western Arkansas, where net in-migration also has occurred. Many of these had substantial loss of population in the 1950's. The broadest areas of in-migration are found in the Far West, and represent a continuation of past patterns.

At the other extreme are counties that have declined in population. There are about 1,100 of them, or more than a third of all counties, but this is an improvement over the 1950's when 1,500 counties decreased. The heavy concentration of these counties is in the central part of the country.

State estimates, which are available for years later than 1966, indicate that 7 States actually declined in total population from 1967 to 1968 because of the combination of reduced births and continued outmigration; and 5 of these form a huge contiguous block of already sparsely inhabited territory in the Northern Plains--the Dakotas, Nebraska, Wyoming and Montana. The others--West Virginia and Maine--are heavily rural but not basically very agricultural.

Past Migration Affects Future Growth Prospects of Counties

Where outmigration has been prolonged and the local population does not have large numbers of children per family, the average age of the population has risen rapidly. The married couples remaining are not numerous enough to offset with their births all of the deaths occurring to the more numerous older population. A so-called "natural decrease" of population through an excess of deaths over births is the result.

Some years ago, it was noted in an outlook paper that there were 33 counties in the Nation in 1959 that had more deaths than births. By 1966--the last data year available--the number of such counties had grown to 300, and may well rise to 600 by 1970. Such counties have an aging age structure. Most of the affected counties are in the southern Corn Belt and Texas.

Such counties are typically very short of labor less than 45 years of age and unable to sustain significant economic development without importation of workers. Elsewhere, particularly in the southern coal fields, in predominantly Negro counties of the Southern Coastal Plain, and in Mexican-American, American Indian, and Mormon areas of the West, are many other rural counties with a very young age structure. In these areas, despite the outmigration, the population base has been supported by higher than average childbearing. These counties have a good supply of very young workers, heavy pressure on the available number of jobs, and require above-average rates of economic development if they are to retain more of their potential population growth in the future.

To summarize, demographic conditions in rural areas vary substantially from one part of the country to another. There simply is no national generalization that is uniformly applicable to the status and trends of rural population except this one. Many areas have seen an improvement in their demographic picture since 1960, through increased ability to retain population. But others have not. The major problem populations of Rural America as measured by such factors as income, housing, education, and disadvantageous ethnic or cultural minority status, are still predominantly in the South. But the major problem rural areas as measured by recent population loss and migration trends are now in the Central Plains and Mountain West.

Planning at the multicounty and the multi-State level, with public and private interests represented, can find solutions to problems that are beyond control of an individual firm or household yet not of uniformly national scope. Dealing with these variations in problems at regional levels can promote area growth, help bring about new development, and provide an environment in which rural people in slower growing and declining areas can also find economic opportunity.

✓ RELATED URBAN TRENDS AND FUTURE GROWTH⁴

The Location of Recent Population Growth

Metropolitan areas as a group have experienced the Nation's largest growth. This has been due to the dramatic population increases in non-central city jurisdictions, especially in metropolitan areas of over 500,000 population.

The greatest proportionate increase occurred in "metropolitan remainders"--suburban areas outside incorporated places of 10,000 or more. Central cities of medium and large metropolitan areas enjoyed only minor rates of increase or decline.

Urban places outside of metropolitan areas grew at slower rates than metropolitan suburbs and remainders, although not slower than central cities. The remainders of nonmetropolitan areas (towns below 10,000 in population, rural villages, and farms) had the lowest growth rate.

The giant urban areas accounted for half the increase in total urban population and those in the 250,000 - 1,000,000 bracket for nearly one-fourth.

Migration and Natural Growth - 1960-65

In-migration accounted for 22 percent of the 1960-65 growth in metropolitan population. The remainder--78 percent--was due to natural growth. The latter rate is likely to increase, suggesting that metropolitan areas contain within them the seeds of their increasing population domination of the Nation.

Eighty percent of the net migration into metropolitan areas was attributable to only nine such areas: Los Angeles-Orange County; New York-Northeastern New Jersey; San Francisco-Oakland-San Jose; Washington, D. C.; Philadelphia; Houston; Miami-Fort Lauderdale; San Bernardino-Riverside; and Dallas.

Migration provided the least population increase to metropolitan areas in the Northeast and Great Lakes, and most to the areas in the South, Southwest, Mountain and Far West regions.

4/ From Urban and Rural America: Policies for Future Growth, Report of the Advisory Commission on Intergovernmental Relations. Washington, D. C. April 1968. Pp. 123-24.

Improved economic opportunities prompt migration but mainly among the better educated and skilled. Blue collar workers, less skilled, many Negroes, and the aged for personal and various noneconomic reasons tend to resist the attraction of job opportunities elsewhere. The result: migration from depressed areas tends to deplete the most productive sector of its work force.

Future estimates indicate a national population increase of about 50 percent by the year 2,000, practically all of it urban. The lion's share of the increase will come in the largest, fastest growing urban areas, and the South and West will continue to experience the greatest percentage gains.

Urban areas up to one million experiencing the highest growth rate generally were located in a geographic crescent running from Virginia through the Old South and Southwest to the Pacific Coast. Urban areas of this size showing below average growth rates formed another arc, from Maine through Southern New England, the Middle Atlantic, Great Lakes, and North Plains States.

The ratio of Negroes to the total population of central cities rose from 12 percent in 1950 to 20 percent in 1965. Moreover, the larger the central city, the faster was the rate of Negro population growth and the larger the Negro proportion of the total population.

America's rural population has declined only slightly since 1950, but the farming sector alone dropped four million between 1960 and 1966.

Economic Growth and Quality of Living

The 1950-66 period of overall national economic growth was marked by considerable diversity in rates of growth among individual States and multi-State regions.

Governmental policies such as highway and air transportation facilities, housing and community facilities, industrial "climate," and tax level can influence industrial location decisions.

Urban-rural comparisons of population growth, educational and health facilities, housing, and income levels suggest major disparities for every index, with Rural America consistently in the disadvantaged position.

Within metropolitan areas another set of disparities emerges with central cities confronting much greater public finance-public service problems than suburbs and metropolitan remainders.

Central cities are in a less favorable position in competing for new business than their suburbs with respect to land availability, ease of access to markets and supply sources, parking, and social and physical environment.

Larger cities (over 250,000) in selected States tend to experience diseconomies of scale, spending more per capita as population size increases.

Within the private sector, the process of urbanization generally seems to lead to higher consumption expenditures.

Consequences of Continuing Recent Trends

Analysis of the above findings leads to the conclusion that a continuation of recent urbanization and economic trends would be likely to produce consequences of critical importance for the well-being of the Nation, and of individual States and communities.

While the evidence is not conclusive, it may well be that increased size and congestion will take a net social and psychological toll in urban living conditions.

Continued migration of the Negro population to central cities will tend to add fuel to already critical conditions in some central city ghettos. At the same time, the Nation's smaller urban places outside of metropolitan areas will be increasingly bypassed by the economic mainstream and will also find it difficult to offer enough jobs for all their residents and those of surrounding rural areas. Many rural areas will suffer from a further siphoning off of the young and able work force with a resultant greater concentration of older and unskilled among those remaining, and a continuing decline in the capacity of rural communities to support basic public services.

Finally, if present practices prevail, the continued concentration of urban growth in suburban and outlying areas foreshadows a prolongation of development practices creating "urban sprawl"--the disorderly and wasteful use of land and many community problems at the growing edge of urban areas.

✓ TRENDS AFFECTING RURAL INSTITUTIONS⁵

For purposes of this paper, "rural" is functionally defined as everything outside the standard metropolitan areas and the immediately adjacent bedroom communities which are tied in every manner to the metropolitan area. It is also assumed that the typical rural area will continue to lose population with the usual attendant effects of having many more people in older age brackets and a lower relative level of economic activity. But no effort is made here to identify all of the trends affecting rural institutions. Rather I am concentrating on a few trends often overlooked and which I think are highly important in relation to action that might be taken for the economic and social development of Rural America.

The Growing Role of Institutions as Providers of Services

Many services which middle class citizens consider essential today come through the action of groups of people or public bodies. This trend has been proceeding steadily in the same direction and to a considerable extent for quite a few years, as a result of advancing new technology.

More than a century ago the main institutional services were protection under the law, opportunities for worship, and education for the very young. Over the years transportation, various public utilities, natural resource development, protection of many kinds, different educational opportunities, new health and social services, recreation resources, economic development, antipoverty programs, housing, and race relations programs have also been added, each being more or less increasingly built around expanding institutional ideas of some kind. This trend will almost certainly continue.

Technology and Specialization and Their Consequences

The ever accelerating development of new technology and its impact on farms, main street businesses, industries, and homes is known and accepted. But the fact that technology has an equal impact on institutions and public services is often overlooked.

5/ From paper by C. B. Ratchford, Vice President for Extension, University of Missouri, presented to Annual Agricultural Outlook Conference, February 1969.

The major consequence of the technological explosion has been specialization and large-scale production in every phase of society. This is necessary for the new and superior goods and services to be available at a reasonable cost.

Not many years ago, for example, most health services were rendered by general practitioners, and a single physician often served the entire population of a community; and nursing care was generally the responsibility of the family. But, today, minimum health service requires a team of specialists, hospitals, extremely expensive equipment, various nursing services, physical therapy facilities, and other similar services.

Such a health team, however, requires a large population base, a public investment beyond the means of most rural local institutions, and an opportunity for medical personnel to be in constant and immediate touch with the worldwide medical community. But in return there is the greater longevity, less disease, saving of life, and better health for greater productivity.

In general, the same situation applies to most other institutional services. For example, a comprehensive secondary educational program of high quality with a large number of electives or options requires a large population and economic base. Public utilities are a classic example of large numbers substantially reducing the cost per unit. Even churches increasingly require high financial support to provide the array of ministries expected from the modern church, which means the necessity for a large membership base and qualified staff.

The Development of Large-Scale Social Organizations

The consequence of industrialization, urbanization, and exploding technology has led to the development throughout society of large-scale, specialized, vertical organizations. This phenomenon has been well documented by Professor James T. Bonnen of Michigan State University. He describes the situation as a social structure characterized by large-scale organizations, most of which are vertical in nature, many of which are national, and when taken together encompass most of the functions of society and have numerous implications for the counties and local communities of Rural America. Government, manufacturing, transportation, communication, agriculture, labor unions, trade and professional organizations, even churches and universities, are characterized by large organizations. These organizations tend to be federated into national special purpose groups, often with vertical or top-down relationships and delivery of programs.

These large national, vertical, special-purpose organizations also tend to have a tearing apart effect upon the local community. Professionals are more concerned about their colleagues and goals elsewhere in their systems than with their neighbors in the community. The same is true with labor organizations, trade associations, and to a considerable extent even churches.

A more important point is that of access to the power of decision. The power to decide many of the most important aspects of a community's future has moved from local communities to higher aggregates of society and to large-scale organizations at State, regional, or national levels. The exercise of organized power today is primarily a phenomenon of large-scale organizational behavior and is concentrated to a great extent at the national level. 6/

Any local institution or other functional segment of society that wishes to exercise effective power on its own behalf today must be organized and have legitimate access to the State, regional, and national levels of these large-scale organizations.

It should be clear that institutions constructed on an exclusively agricultural or local rural community base to serve rural life only are no longer viable. Specialized rural institutions which operate separately and under special rules of behavior, because they think that agriculture is different or rural life is superior, have lost their ability to relate to the rest of society where most of the power of decision making, public and private, now lies.

Decrease in "Clout" of Rural Areas

Another trend has been that rural institutions have tended to lose some of their "clout" over the last several decades, or at least it is more difficult for them to exert significant political influence. This is accounted for in part by the loss in population and subsequent reapportionment of legislative representation. But losses in population and representation need not necessarily mean a loss in "clout," because minority groups can be powerful if they recognize themselves as such and act as a minority group must. The first principle for a minority group is to stick together. But in rural areas, cohesion has diminished concurrently with a loss of representation.

One reason has been the increasing diversity of interest in a given rural locality. Part of this is because of the development of large-scale vertical social organizations, as mentioned before, and the high loyalty of members to these organizations regardless of place of residence. Increasing specialization within agriculture is also in some respects a contributing factor to the decrease of rural "clout." Not many years ago most farmers in a given geographical area had basically the same problems and interests from a production point of view. Today, the specialized livestock feeder has little in common with the specialized grain producer; in fact, there may be conflict between the two.

The transfer of functions to the public sector, an example being welfare, also has removed some of the incentive and necessity for citizens in a given locale to work together. The disappearance of some very local institutions, such as the one-room school or church, also represents the loss of an adhesive which tended to keep people in a given locale pulling together.

6/ It should be said that this whole vertical-horizontal pattern of social organization today was originally more fully treated conceptually by Roland Warren and other sociologists than by Bonnen (E. J. Niederfrank).

For decades there has been some tension and a feeling that there was a conflict of interest between townspeople and farmers. But today much more important is the dependence of all of the people on the same institutions to achieve their common goals, and the fact that even the combined farm and town base of the total county may prove barely adequate for achieving their goals.

Growing Interdependence of Institutions

Increased interdependence in the agricultural production sector is well recognized. Farm supply, production, and marketing are linked in such a manner that their separation, or return to self-sufficiency, is impossible. The same interdependence at the institutional level has been largely overlooked.

Interdependence is a natural outgrowth of specialization and large-scale organization, with health services and comprehensive education again being prime examples. The local rural institution, be it church, school or what, stands no more chance of being self-sufficient in the last third of this century than the modern commercial farmer.

Small communities are necessarily tied to larger ones. But it is the exception, however, where this is recognized and where positive efforts are devoted to increasing the efficiency of interaction between institutions both within a community and in different communities. The more common situation is for institutions to fight each other. In particular, small communities tend to vigorously fight larger ones--an action which chokes the larger community taking shape, brings slow death to the small community, and generally stifles the entire area.

Local institutions must increasingly interact with State and federal governments. The federal government provides some services directly and in other cases provides funds to help local institutions provide services.

The relation with State government is even more direct because many institutions are creatures of the State. In addition to services and funds the State makes available, there are State laws and regulations which force communities to do certain things and refrain from doing others. The influence of State and national governments on local institutions is likely to increase.

Implementation of some new national programs has created further fragmentation in many rural areas. The most laudable goal of equal opportunity for all races has resulted in the creation of new institutions, the weakening of some existing institutions, and at times a growing animosity among the several segments of a community. Also special institutions developed to serve the poor, the senior citizen, or youth have worthy objectives and may be necessary, but again tend to further pull apart the once solid rural area.

A final factor reducing cohesiveness of rural areas is the fragmentation of the agricultural establishment--specialized farm organization, agribusinesses, agricultural colleges, direct USDA agencies and State and national legislative representatives. The significant point is that fragmentation has served to dissipate the already limited strength of rural areas. The separate interests, instead of forming alliances and communicating with other segments of society, have tended simply to build separate smaller and weaker national structures.

Reaction of Rural Institutions and Trends

Unfortunately the reactions of rural people have been either to largely ignore what was happening with the hope that it would go away, or to react violently. These actions, or lack of actions, show up in several ways.

Rural people, even more than others in our society, have and continue to place great faith in more production and more employment, reversing the situation. Many rural areas have increased production but population has continued to decline. Further, most rural areas have not been successful in substantially increasing nonfarm employment and it appears that there will not be major progress along this line without the federal government drastically altering its policies.

There has been widespread rejection of proposals that would change local institutions. For example, planning and zoning have been almost uniformly rejected in rural areas or at least difficult to achieve. Likewise, there has been tremendous resistance to consolidation of governmental functions.

There has been growing opposition in rural areas to financial aid from State and federal governments except for the traditional programs of highways and price support assistance to farmers. Cities have been clamoring for financial support from State and federal governments, but this has not been so of rural communities.

Rural areas are becoming increasingly conservative toward institutional change, not in a political sense but in attitude. Perhaps in real terms conservatism has not been increasing. But it certainly has been in a relative sense because the times dictate rapid institutional change.

It also appears that there has been an intensification of rural fundamentalism. Agricultural fundamentalism has largely disappeared; but most people in rural areas still firmly believe that the rural community is a better place in which to live, that it has better churches and schools, less crime and poverty, greater morality, more recreation, and more of everything else that is good. Obviously, the facts do not substantiate this picture and the real danger of such a view is to legitimize the failure to bring about institutional change.

Finally, Some Basic Results and Implications

The result of the trends previously mentioned and the reaction to them by rural people have widened the gap between the quality of services received by metropolitan areas and rural areas, respectively. Rural communities are lagging and this shows up in every field where measurement is possible. The censuses reveal the difference in educational attainment. The President's Commission on Rural Poverty documented a similar lag in health services, housing, recreation and protection. A higher percentage of people live in poverty in rural areas than in metropolitan areas. One suspects that there has always been such a lag; the disturbing point is the widening of the gap.

The federal government has inadvertently contributed to widening the gap during the last two decades, as a result of the growth of a new "creative federalism." Under this idea the federal government makes funds available to local institutions, but they must apply for the funds and must use them for certain purposes, which in itself requires a sense of need and desire for change, which we have just said was one of the main things lacking in rural areas. This is in contrast to the policy followed in the 1930's when the federal government administered certain programs directly and established offices in every part of the country; for example, the agricultural agencies and the social welfare programs. Repeating, that while the more recent policies did not intend to discriminate against rural communities, some of the programs had the effect of doing so and this is undoubtedly one factor contributing to widening the rural-urban gap in level of services.

The development of new institutional forms holds real promise. For example, the regional planning commissions which are now being established in most parts of the country can help. They do pool resources of a number of smaller institutions; they pose no immediate threat to any existing institution; they can provide comprehensive planning for economic and social development; and they can relate effectively with State and federal governments.

Increased educational and technical assistance to rural institutions will also bring beneficial results. One very tangible end is the greater use being made of the tools available at State and national governmental levels. Also by indicating that there are alternatives, some of the conservatism and frustrations may be reduced and the people motivated to greater positive action.

The new institutions which have been created to deal with poverty and racial problems have helped develop new leadership. Perhaps these new leaders, along with other more experienced ones, will eventually get together and exercise greater "clout" in behalf of Rural America.

Basic to bringing about any improvement is educational work which will result in changing attitudes and bringing about a clearer understanding of the dimensions of present situations; also of what is likely to happen and what can happen. A key to all this is greater citizen involvement in institutional decision-making as well as further development of higher quality leadership, professional and volunteer, public and private.

COMMUNITY CHANGE, PEOPLE AND PROGRAM DEVELOPMENT ⁷

Several fundamental concepts stand out as bases of analysis and goals in the history of social science and socioeconomic development in Rural America. These include economic growth, human resource development, group development, community livability, quality of living. All of these run like threads through the chapters of this piece. Then in cross reference to goals there are several other basic concepts just as important which mostly have to do with strategy and method. These include situational analysis, population composition, social systems, social status structure, social action process, and economies of scale.

Any research, teaching or action program, public or private, concerned with bringing about change or improvement in community services, employment, incomes, institutional adjustments, and personal and family living, if it is to be developed and carried on with effectiveness, necessarily takes into account the above concepts of goal and strategy.

The greatest challenge to both professional workers and community leaders is that increasing economic growth and quality of living call for new or improved organizational structures, new or improved linkages between systems, and greater skill in social action processes--all to help people adjust to society and, just as important, help society adjust to fit the people. And in all this, attitudes based upon understanding and conviction are more important than mechanisms or forms of social structure as such.

A real challenge of the 70's can be seen in these words of Paul A. Miller which were spoken when he was President of West Virginia University:

"Too many institutions and organizations are still facing back to the certainties of an agrarian past while confronted with the uncertainties of an industrial future. Leaders are not leaders for long if they fail to sense the realities of what's happening nor is an organization any longer useful when its aims fail to express the real needs of the people."

Expanding Community; More Complex Rural Living

The fact is that throughout America the small, autonomous community types of yesteryear are gradually melding into single rural-urban communities of tomorrow. This seems to be the trend as one reads the researches and other writings of today on the subject. The once rural neighborhoods, the small trading centers and the larger towns and cities are no longer the separate, mutually exclusive entities they once were. Differences

^{7/} By E. J. Niederfrank, with some adaptations from the earlier publication Keeping Abreast of Change, by Phillip Aylesworth in 1959 and his followup paper "The 1970's--Challenge of the Future," which was written in 1964. U. S. Department of Agriculture, Federal Extension Service.

between rural and urban people have virtually disappeared as agriculture has become a complex industry and as geographic areas of communication and social contacts have widened. With all this has come a reduction in feelings of demarcation or lines between what once were rather well-defined, separate communities.

Earlier in our history, schools, churches, and stores were established to serve people whose major mode of travel power was provided by horses and slow automobiles. Such was rural life up to 1930. Small communities were almost self-sufficient in terms of meeting needs of the people. But today there is not the same need for services at every crossroads or small town. The general store, the one-room school, the community institute, the small fraternal chapters, and in some cases the Grange halls and the township unit of government, have largely disappeared from the active rural scene except as monuments of the past.

Today people may work in one community, live in another, and purchase most of their food and other items in still other places. People drive 25 to 40 miles to jobs in cities or industrial centers. Living now revolves around a variety of towns, shopping centers and cities. Car pools become a new social grouping. The economy and social life of once independent local communities near large cities becomes inexorably tied to the economic and social climate of the city.

Most of Rural America is now becoming more made up of "mixed income," "socially diverse" communities. Many people have other sources of income than what once was mostly farming. Social differentiation and stratification develop as differences in income among the people become greater or more noticeable, and as increasing mobility brings "different types of people" into the community. Many families have more income than before to spend on things other than necessities. The overcrowding of parks, shopping centers and other services is caused not merely by increases in population, but by people being more affluent, having more money and time to spend. Improvement of incomes in low income urban ghettos and rural areas will produce the same result, and to provide for this should be a part of overall development planning.

Thus, life becomes more complex as city and country merge, and as people seek to make adjustments to meet needs, solve problems or bring about desired improvements. Farm, rural nonfarm, and urban people alike are faced with having to fit in with new ways of living, and each must be concerned with developments in the other, as all are affected in one or more ways by what goes on elsewhere.

Rapid change upsets a community's life, gets things out of kilter. And all social systems are affected--education and the schools, religion and the churches, civic organizations, local government and public services, family life, agriculture, town business and industry. A growing result of all this change is that agriculture and business, town and country, small towns and larger places, local organizations and their national offices--all have become increasingly interdependent and will become even more so in the years ahead.

Plurality of system also describes this increasing complexity. This means increase in kinds and numbers of organizations and agencies with their specialized goals, services and other programs, some pointed toward particular audiences or problems and some that seek more general participation and leadership involvement of the people. There are two main types of social systems, horizontal and vertical.

Horizontal systems refer to the civic organizations, churches, educational systems, public agency offices, commercial groups and industrial firms which are found locally in the given community or county.

Vertical systems refer to those organizations and agencies with their specialized programs which come down from outside higher levels into the local community life. Actually many horizontal systems and forces are but the local representations of the outside larger national systems and forces of which they are a part.

One result generally found from this two-dimensional social structuring is that the local community, including county, becomes filled with many specialized programs, tasks, and activities, generally related to some State or national purposes, while important community-wide concerns or needs of the people locally tend to fall through the slats for lack of the total community-wide attention and cooperative effort they require. Issues also often develop between vertical and horizontal systems; both benefits and problems of implementation arise.

Horizontal organization is particularly essential to achieving effective local citizen participation. Without this, decisive action often does or can become too dominated by vertical direction from the outside. Herein lies probably the greatest challenge of government and national groups as we go into the next decade.

Every system represents a channel of communication among people within the community and between it and the outside. Some people are related to several such systems and channels of communication, while some people can be reached through only one or two very local systems or none at all. Vertical organization is usually specialized; thus, generally does not reach all the people. Sometimes local horizontal organization is informal and not readily able to relate to other horizontal systems of the community or to the vertical systems of the outside. What happens is that the social stratification concept is always applicable or operating; it has to be taken into account in every step of organizational and program development for change or advancement of socio-economic progress--rural, urban or rural-urban.

People and officials have to learn how to operate in such a pluralistic, interdependent society. Increasingly, efforts will be needed to develop closer working relationships and cooperative actions locally on matters of common concern. Geographically, such concerns may be a larger local

community matter, a countywide matter, or the matter of a multicounty area of some kind. In any case it is the total community to be concerned; the total community to be kept in mind.

To be sure there are still important rural characteristics and factors to be considered, and always will be; but small communities of today will function more as parts of larger communities than as distinctly identifiable, small, separate entities. This "rurban" community concept was talked about by rural sociologists years ago, but at that time it did not mean as large a geographic area as the term means today.

It is easy to see that such a trend has very important implications for social organization and action relating to various kinds of development programs and extension educational work in the years ahead. In fact, emphasis on the multicounty and "functional community area" ideas is now national policy and becoming the policy of more and more States.

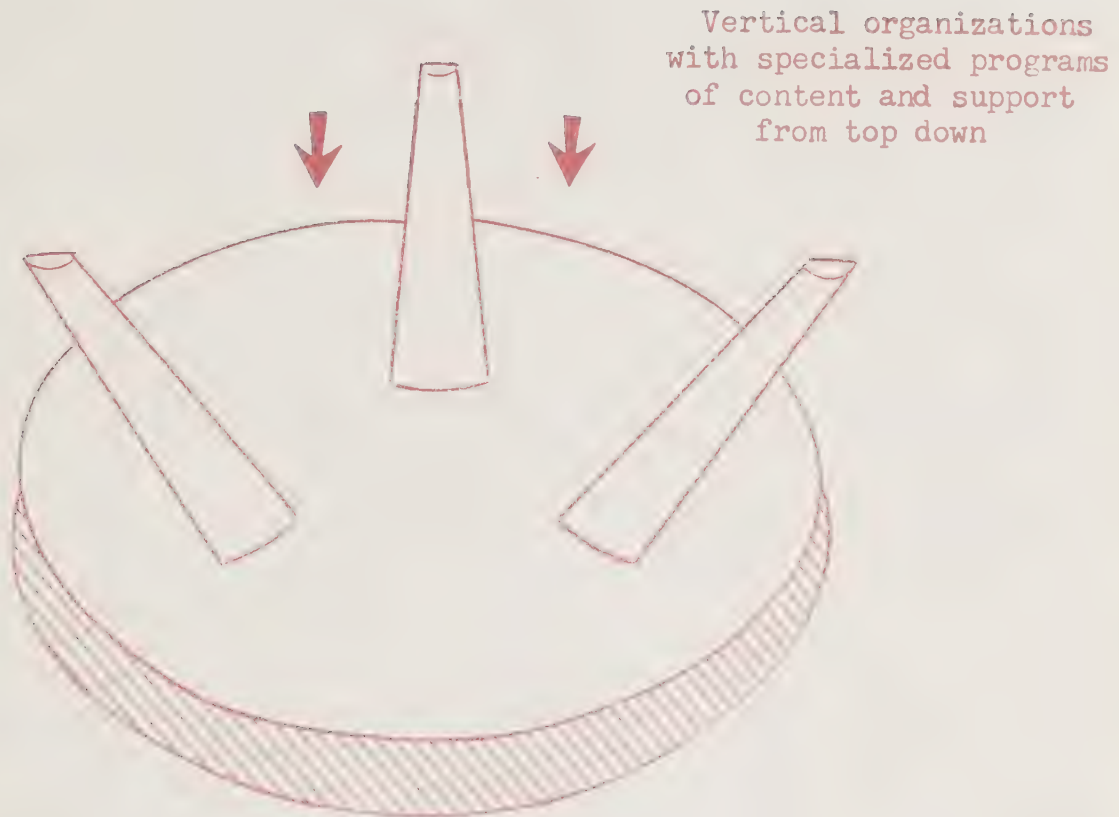
New Patterns of Organization and Program Development

Extension program building committees and advisory councils are today contributing to correlation of specialized interests and resources on matters of major common concern, as are county and multicounty planning commissions and other citizen resource development groups of one kind or another. Federal legislation to facilitate more comprehensive planning with respect to health, education, outdoor recreation and the aging is further enhancing this trend. Metropolitan councils of government also are spreading throughout the country as another means of focusing leadership for planning and action on area-wide community concerns. USDA councils of agricultural agencies, area development councils and the like are still other examples of methods of working together cooperatively on major or crucial problems affecting many people.

Such groups represent a form of strengthening HORIZONTAL organization locally, and also a means of correlating with the greater resources of VERTICAL organizations and programs available from outside. The idea is illustrated by the Inverted Milking Stool model shown by the accompanying sketch.

Both rural-urban interlocking and vertical-horizontal interlocking are on the increase. As common problems are discovered to be primary ones and worked on together, leaders find that the whole can progress faster than the sum of the separate parts; $2 + 2$ turns out to be 6 or more.

Developing horizontal organization suitable to the larger community or total county and area relationships now taking shape, and then effectively linking local horizontal systems with vertical systems, is probably the greatest need of Rural America today. For from such development could then result the greatest accomplishment of programs, based on the most effective participation of the people. Social scientists are beginning to turn to this area as one needing research and educational work.



Horizontal organization locally for correlation of programs and actions

Important points to keep in mind as one works on strengthening multi-county or area horizontal organization for advancing economic and social development are:

1. To what extent does the area organized or under consideration tend to be a true community, a true functional socioeconomic area?
2. To what extent is or will the official body of the area organization be widely representative of the area, including both local governmental and citizen leadership?
3. To what extent is or will the area organization develop relationships, communication and involvement of the county governments, the local communities and the special resources within the multicounty area? Will it foster adequate methods for attaining participation of the people when necessary?

The latter point is important, for the complete answer does not lie in the bigness of organization and the nice coordination of area staffing, multicounty programs and community councils. Also important is the matter of consideration for the participation of the people--the adaptation to the realistic situations, the nitty-gritty aspects of development by counties, towns, neighborhoods, ethnic communities, cultural groups, and individual families. Attitude, spirit of cooperation, sensitivity to the needs of involvement are more important than standards of perfection in organization.

Oftentimes new organization can best be developed by starting on an informal basis and working toward more complete or refined structure, rather than trying to perfectly organize on a formal basis too soon. Program content, too, can grow with the developing situation and increasing abilities of leaders to work at the task.

Program development of the future does contain hope. Education and the schools will assume an increasingly important place. Adult education will increase; it is already doing so. People are beginning to become aware of the inefficiencies of small-scale local government and public services. Steps toward greater efficiency by working with other units are being taken. Civic organizations are adjusting programs to better fit the times. Church denominational headquarters are generally aware of the needs for change locally in structure and in interpretation of religious values and are working on endeavors to these ends. On the whole, the roles and methods of institutions serving the rural community will change, but the institutions will not decrease in importance.

Of course, problems of economic and social development will continue having to be faced. Population mobility will increase as people seek to find more adequate employment opportunities and quality of living. Population explosion will make progress difficult in areas already beset by poverty. Both population increase in some areas and decrease in other areas will continue to create problems of economic growth and community livability, but problems of different sorts for different segments of the population. Areas of increase and areas of decline both will need educational and resource assistances for adjustment, but by programs having different immediate goals and probably some differences in methods.

Existing social differentiation including stratification, manifested in the different audiences to be served, must also be taken into account in all organizational and program development. Age of the people of an area is another important factor. The next few years will see our United States population having a larger proportion of young families than recently, as a result of the high post World War II birth rate, which has then declined by a third since 1957. Nearly half the population of voting age will be under 30 during the 1975-85 decade.

Jobs for people and community livability in terms of essential public services are the two basic needs of development throughout Rural America. Two young men in five are surplus in the rural labor market; 300,000 new jobs are needed annually to offset expected decline of employment on farms during the next few years. People will live where the conditions are most attractive.

Not all towns need perform the same functions or seek the same types of growth. Major new industrial development should be encouraged in or near growth centers based on the transportation, science and other relevant resources available. Some towns in urbanizing or metro areas may best function as residential and weekday trading places. Other towns more isolated and surrounded by agricultural resources may best function as major agricultural trading centers with related agri-business. Still other places may best strive to become exceptional recreation and tourism centers with the essential accompanying services and industries. An economic resource base and community livability are the foundation stones for growth and satisfaction.

The main point is that every community, including county, has the choice of becoming either a "graveyard," a "holding pen," or a "Garden of Eden." What each does become will depend largely on the quality of leadership in it and on the quality of guidance and program impetus from outside. Positive actions must be taken; some people must "take the bull by the horns." Rural America is not the place, and today is not the time for indifference. 8/

The people of a community development case I heard of recently had reasoned this way: "We must expect that most of our young people will have to look beyond the local area for their future; thus, the most important thing to provide them is good education to help assure their success elsewhere. But our community cannot hope to provide good schooling through high school. Therefore, we will cooperate or consolidate with the larger center for high school, and put all our local efforts into providing the best elementary schooling possible for the children, which will help assure their progress in the larger high school and in later life."

What we have been saying again emphasizes that organizational and program development must be carried out in the context of the "expanding" community of today, as indicated by T. E. Atkinson, Arkansas Extension Economist, writing in a recent Extension Service newsletter there. The larger community contains or has greater access to more resources essential to success than does any of its parts as small communities. The same idea is expressed in the "functional economic area" concept of Karl Fox and Eber Eldridge of Iowa State University, and in the "Expanding" Rural Community study of the Great Plains which was written nearly 10 years ago by A. H. Anderson of the University of Nebraska Agricultural Experiment Station. A functional economic area is a relatively self-contained area having a central city and serving a radius of 40 or 50 miles.

Atkinson also goes on to further point out that urbanization is a continuous process; thus, the question is not whether but where is it taking place, in what form and with what effects or implications for which people and enterprises. Urbanization is going on all the time, in and around

8/ These three descriptive terms of community were the theme of the 1969 meeting of the American Country Life Association, which was held at Oklahoma State University under the leadership of the Extension Division there.

every city and town and countryside across the land. What we have now is an interdependence of cities, towns, villages and open spaces, and each must complement or supplement the other on a co-existence basis. Investments of effort and finances to expand facilities and services should reflect and strengthen this interdependence, not tend to weaken or retard it.

For example, a single industrial development and promotion program can be carried on for the entire "larger community" on a much more sound basis than by each county or smaller community trying to do its own. But, of course, in "larger community" development programs, recognition must continually be given to the social systems, interrelationships and the socioeconomic differentiations within the area under consideration. "The future of the rural community rests, like the small farm, upon becoming larger but more importantly upon becoming linked with the metro system," said Atkinson.

Various sociologists also have pointed out that all too often the small community is a reacting unit, rather than an initiating unit. And at the same time metropolitan growth also often takes place in haphazard fashion. The total result is that both the rural and the urban efforts are less than effective; often wasted. The only sound thing to do is work on developing concerted cooperative action between rural communities and their respective metro growth centers. And rural nonfarm America must join with agriculture for total Rural America.

Furthermore, urban areas are not going to break up and scatter out to "save" rural areas; it is a great mistake for any rural leader to think this. Instead, great public programs already are under way to strengthen urban areas, including linkages with their surrounding communities into metropolitan systems with correlating councils of local government and gradual formation of metropolitan policies and program service systems. Only in this process is where sound progress lies, for either the rural community or the urban community, although it may take years to accomplish in some cases.

But in every case the total situation must be understood. Organization and programs must contain both specificity and breadth--specific in terms of being concerned with specific audiences or problems, and broad in terms of reaching out to include the total larger community and the whole spectrum of economic growth, human resource development and quality of living. Thus, keeping the total in mind, regardless of what part one is concerned with, must be a foundation stone in all organizational and program development.

In recent years we have seen much stress on specialization--both geographic and subject specialization. But question can be raised as to whether or not perhaps the basic specialization to consider should be specialization of audience. This is actually what is taking place as certain programs are pinpointed to serve particular audiences. Of course, in doing so, difficulties of relationship may arise between this

and the subject specializations. Strict adherence to the latter will not get the needed job done, in many cases. Even in professional medicine today there is some trend back from overspecialization.

In every program, every organization, there somehow has to be correlation between the two ideas of specialization by subject and specialization by audience.

Nor must economies of scale be a sole deciding factor, as might seem to be indicated in some of the previous sections and paragraphs. Economies of scale is a concept that runs through much of what is being written and done about economic and community development in recent years. But it does not apply with equal validity to all communities or to all institutions. It cannot be fitted to the church, for example, like it applies to the factory. Readers will know of many cases of small churches having effective programs geared to the peculiar opportunities of their situations, because the local people are thinking and acting positively. Not all small schools are necessarily bad, nor is a small farm for some people. Many small towns are finding it possible to successfully survive with living satisfactions to the people, based on specific organizational and program developments adapted to their local conditions.

Religion and the church as an institution is concerned with providing certain values as its primary function which not only do not necessarily require bigness of size of operation but actually may be enhanced or gained from smallness. What better way is there than through the small group to learn and grow in the values of repentance, forgiveness, honesty, situational understanding, human sensitivity, responsible concern, love. Big churches find that they must build into their programs ways of achieving such values through the small group idea, if they are to best meet the religious needs of the people.

Every community and every institution must make its own assessment of its situation and work out its own applications of basic principles. Even operators of small-scale farms in certain situations can and are enhancing their positions by cooperation.

The whole point is to be aware of the economies-of-scale idea and the other concepts of goal and strategy that we have been discussing, then to work on organization and program development accordingly.

Greater teamwork between public and private sectors also is a new emphasis having promise. Enlarged or new governmental programs providing more financial and other assistances for various special needs are here or in the offing, including vocational education, comprehensive health planning, revised welfare services, aids to the handicapped, recreational resources, pollution control programs, student employment, area economic growth, housing for the elderly, and the like. At the same

time volunteer effort is expanding and has great potential as private organizations and agencies both can and want to have a part in helping solve the problems of the nation. For example, the chambers of commerce and junior chambers of commerce, local and regional development associations, State and local school systems, civic groups and fraternal orders, the Urban League, General Federation of Women's Clubs, the League of Women Voters, church bodies, welfare societies, farm organizations, and associations of public officials.

Public-private cooperation and volunteer effort of groups and individuals always have been hallmarks of the American Way. Every program of development being planned should give consideration to teamwork among the vast resources that are part of given situations.

The Real Challenge is to Have Understanding

One of the basic elements of democracy is the implied right of every person to participate effectively in making the decisions that affect him. In all this, the generation gap is especially of concern today, and there also are gaps between other population segments and social systems of society, as we have alluded to in mentioning the concepts of social differentiation and stratification. Generally the big issues and differences revolve around attitudes about goals and expectations, about roles, and about strategies or methods. Some of these gaps are long-standing; some are not new but have occurred in every generation of time, differing only in specific content; some are new arising out of new specific changes or conditions of today.

Effective communication and interpersonal relationships are the first essentials to reducing gaps and tension. However, in various respects, both locally and nationally, society is cooperative and becoming more so. There are numerous signs of progress and hope over the long pull, although tense situations arise which of necessity help to define problems.

A major condition of situations today is that gaps and differences are often exaggerated out of proportion to the facts or true conditions, often because of inadequate communication or understanding. But, on the other hand, the true conditions are often shied away from or pushed under the rug, rather than being faced boldly with sincerity. Valid studies are denied or put on shelves; positive actions are delayed or deplored.

Thus, the most difficult but basic problem today is to determine how to facilitate economic and social change in a democracy and to do it; to determine and implement local organizations and agencies in effectively witnessing to and serving people in rapidly changing farm-nonfarm, rural-urban communities without undue domination by forces from the outside top down.

Agencies and professional workers, public and private, frequently lack the sensitivity and appreciation of the need for adequate people involvement or the skills for bringing it about, which usually results in lack of acceptance locally and the subsequent failure of the local community to have the protection and progress it needs and wants. Knowledge and assessment of situations are also important. Organizational leaders have a responsibility to design and initiate or create change, not merely to adjust or passively react to change by acquiescence as if it were happening without one's knowledge. Any change is not properly understood unless we gain from it a sense of movement in a direction toward a goal, based on the nature of given situations.

What's being said is that there must be positive action, sense of purpose, commitment. In too many cases institutional leaders in rural communities are too indifferent to what's happening or going on, not concerned enough about public matters beyond themselves or special interests, just waiting on the "let George do it" philosophy. Creeping community decline and increasing problems of living are the inevitable results of such indifference, and it is the young people who most suffer.

Thus, if the church or any other organization or agency is to fulfill its mission of serving the emerging farm-nonfarm, rural-urban society, it must know the larger community as it is and what it is becoming. A purely sentimental view of rural life is totally inadequate for today. To overcome the gap which exists between the community and special interests of today, leaders and officials need to recognize the realities of change, seek to understand the crucial factors at work, and be willing to make the necessary adjustments in organization and program to best fit the people now.

Two strong concerns emerge. First is the loss of "community" identity and experiences which is occurring under the impact of declining farm population and changing economic and social patterns of rural life as mentioned before, and, second, is an urgent sense of responsibility on the part of organizations and agencies to identify and serve the real needs of the people. The basic factor is attitude -- commitment, having public interest along with self-interest, as persons and as groups. To help the individual to find a meaningful life in the changing rural society, the basic economic and social realities need to be identified and accepted. In rural society there still is some tendency to wait for the return of things as they used to be, when actually there is a pressing need for people and agencies to take a studied look at the future.

While change cannot be forestalled, it can be guided. While change does not leave people unaffected, steps can be taken to adjust to it and to adjust it to people so that it can be constructive rather than harmful. Values of the past still felt desirable need not be lost; they can and should be worked into the new.

All too often organizations and professional workers are hindered in their communications with people because they do not understand the historical and socioeconomic situations of the people to whom they are speaking. It is not enough that a few scholars may know this. It is essential that the local professional workers and leaders themselves, including extension agents and specialists, other agency field staffs, church pastors, school administrators, and especially area or multicounty workers, know the social situation of the people to whom they are called to serve. They must listen as well as speak. Thus, for example, the familiar rural church programs of farm soil stewardship now need to be broadened to concern for a wider array of problems and needs that call for deeper sense of personal stewardship. The same might be true of some other specialized programs.

Undoubtedly, urbanization will be receiving much attention during the 70's. This, coupled with the large young adult population, has implications for rural institutions and programs. It will be harder for the rural to command attention; also urbanization affects rural areas.

Considerable uncertainty and frustration seem to pervade middle class America today, from the challenges to values and structures that have come from the increasing pluralism and other changes in society of recent years. Middle class America must rise up to face changes realistically and provide needed positive leadership as it has in the past. Specific education for change should be directed toward middle class America.

To sum up, major emphasis must be given to teaching about trends under way and to developing sound community organization on a wider geographic functional area basis to fit the needs of particular cases, without losing sight of the local. And the real problems of income and livability must be worked on with greater commitment and effectiveness.

Universities and colleges, through their extension programs, are in a unique position to make significant contributions to all this end in cooperation with other agencies, even to lead the way in areas beyond large cities, and some are making progress in this direction.

 *
 * The outlook for the 70's is positive. Rural America is *
 * on the way up. Many communities out beyond cities are *
 * growing -- in population, in economic base and in liv- *
 * ability. New, constructive relationships between farm, *
 * rural nonfarm and metropolitan interests are beginning *
 * to take shape. The need ahead is not for new direction *
 * as much as it is for new enthusiasm and a greater *
 * head of steam. *
 *

THE DYNAMICS OF COMMERCIAL AGRICULTURE

This subject is discussed again, not because we have vast new information or new insights into the forces and direction of change, but because of its importance to the future of Rural America as we look to the years ahead.

What are the changes taking place? Why are these changes occurring? Where are the forces of change taking us? What sort of a commercial agriculture is emerging? What are the implications of change with respect to farm income, costs, supplies, prices, government programs, and other topics? What is happening to the people in agriculture? These questions bother many professional agricultural people and other leaders today.

None of us has any precise or pat answers to these questions. Certainly, I have no private peephole into the future. But below is a brief examination of some of the facts and factors involved in the changing situation.

Number and Size of Farms

We have roughly 3.0 million farms in the United States, of which about a third are commercial farms producing gross sales of \$10,000 or more, a third are commercial farms producing less than \$10,000, and a third are primarily residential places. The 1964 agricultural census reported 142,000 large farms grossing \$40,000 or more, which accounted for 42 percent of total gross sales. These "biggest" farms tripled in number between 1949 and 1964, but their percentage of gross sales only doubled.

Most of our farms today are still family farms, despite the trends in number and size of farms and despite steady increases in the capital required for modern farming. "Self-employment by the farmer and his family remains predominant in American agriculture." If you define a family farm as one that employs less than 1½ man-years of hired labor, 95 percent of all farms are family farms. This percentage has changed little for many years.

The labor required in farming has decreased rapidly. Only half as much labor is used now as in 1950. Despite this dramatic shift, the proportion of all farm labor supplied by farmers and their families remains at a constant three-fourths of the total farm labor done on farms. Family labor and hired labor in farming have declined at about the same rate.

The proportion of labor supplied by farm families varies considerably by States and by type of farming according to recent data. Throughout the Corn Belt, from Pennsylvania to Nebraska, and from Oklahoma to Minnesota, farm families supplied from 85 to 90 percent of all farm labor. In Arizona, California, Florida, and New Jersey, the percentage dropped to 20 to 40.

9/ By M. L. Upchurch, Economic Research Service, U. S. Department of Agriculture, in paper presented before the Agricultural Outlook Conference, Washington, D. C., February 1969.

These numbers suggest several observations. As farms have become bigger and fewer, farmers have not hired more labor. They have bought bigger machinery and have extended their own labor over bigger operations. Thus, when measured by the hired labor standards, many of the larger farms have remained family farms by substituting bigger machinery for hired labor. The modern family farm with \$100,000 or more in capital investment may look quite different from grandfather's family farm, but self-employment of the farmer and his family still remains a dominant characteristic of most of this larger scale farming.

The effects of corporate farming on rural communities and farm life can only be conjectured at this time because it is of such small extent. A recent ERS study reports that today about 11,000 farms are operated as corporations--roughly 0.5 percent of all commercial farms. Most of these, about 7,500, are family corporations and another 1,300 are individual corporations. The remaining 2,200 farming corporations are companies classed as other than family or individual firms. Many of these have other business operations along with farming, including some type of agribusiness enterprise. Very few of these "other" corporations had really big farming interests. About 8 percent are reported to have grossed more than \$500,000 from farming. A fifth of them, at the other end of the scale, grossed less than \$20,000 from farming. Oddly enough, about 6 percent of the family corporations were in the half-million dollar class.

The data do not tell us all that we would like to know about corporations engaged in farming, but they do tell us something. A large majority of these corporations are family affairs organized by farmers themselves to facilitate business functions and to protect family affairs. In total, they show a range in size not unlike the range for all farms, although a little larger.

As one might expect, the proportion of farms operated by corporations varies widely among States and among types of farming. Corporations are more common in livestock ranching than in crop farming, and it is expected that they are more numerous in specialty crop agriculture than in general farming. Our studies tell us that the corporate form of business organization, especially the large conglomerate public corporation, has not made large inroads on our farming up to the present time.

Specialization and Diversification

The modern farm also has become increasingly specialized. One needs no statistics to observe this trend. The reasons for this are many and the trend continues. The shift away from horses to tractors relieved farmers of the necessity to grow feed and pasture. Growing use of fertilizers and pesticides relieved them of the necessity to diversify to maintain yields. Better roads and faster cheaper transportation permitted separation of feed production and livestock feeding. Easier access to stores decreased the need to produce food at home.

But farmers have also been diversifying in another way. Off-farm income has become an increasing factor in the life of farm families. In 1967 the farm population got \$13.0 billion net from farming and \$10.7 billion from nonfarm sources. On the average, each farm operator family received \$4,526 net from farming, and \$4,452 from nonfarm sources. Nonfarm income per farm family more than doubled between 1960 and 1967.

Farm families are increasingly indistinguishable from urban families. Farmers more frequently are moonlighting. The farm housewife also is more frequently participating in the nonfarm labor force.

The organization and functions of the agricultural industry were once not too difficult to understand. The farm and the farmer were identifiable. James Whitcomb Riley defined farms and farmers as well as anyone, and everyone understood what he said. The farmer spread his labor over his land and with nature's rainfall and sunshine he created a combination of products. He combined his efforts and his enterprises to give him the most satisfactory total output. The products he did not need at home were sold at the nearest suitable market and he bought necessities that could not be grown or made at home. Thus, the "farm gate" became an identifiable place and a useful concept in agricultural statistics and economics.

We sometimes wonder now where the "farm gate" is and whether we should even look for it. This is only a crude way of saying that the organization of the entire industry has been changing rapidly in recent years. With these changes, the identity of a farm product or of a farm input, the point at which prices are made, and the relationships among vertical stages of the spectrum of production become more difficult.

But perhaps the most subtle and important of all changes is the change in the attitude of farmers regarding the purpose of farming. The purpose of modern commercial farming today is to make money. This may be too simple and too obvious; but when you reflect on this idea you may better understand the changes that are remaking our agricultural industry and reshaping the lives of farm people.

What has happened is that the former concepts of "generalized self-sufficiency farming" and "preferring to farm because it is a good way of life," have given way to the philosophy of "farming for income as a business enterprise" and "agriculture as an industry."

The Agribusiness Concept and Its Long Range Prospects 10/

In looking to the longer range prospects for agribusiness, an extension of the trends of recent years can be expected. These include: (1) industry adoption of the "systems orientation" at an increasingly rapid pace; (2) continuously tighter coordination between all levels intervening between the farm production and retail sectors and between the farm production and farm supply sectors; (3) emergence of more efficient and comprehensive information systems, both internal and external to the firm; (4) gradual decrease in the numbers of marketing levels at which prices are determined in "open markets"; and (5) increased emphasis upon product competition and quality, and tighter product specification and quality control to meet consumer expectations.

The agribusiness sector of the future likely will have: (1) even fewer firms; (2) larger firms; (3) more contractual arrangements; (4) access to more complete information systems both internal and external to the firm; and (5) an increased span of ownership control across industry lines.

Two illustrations of what "could" develop will dramatize the potentials of these assumptions and projections.

The first pertains to automation where retail checkout counters will be equipped with automatic price scanners tied to the store's automatic data processing system. This would enable each store to order items via direct line connection to the store's warehouse. The store warehouse would then be able to order by computer from the appropriate supplier. The second example of dramatic change ahead is the prepricing by the processor of every can or package for the retailer.

10/ From the Kenneth R. Farrell paper, "A Look Ahead for the Agribusiness Industries," presented at the 1969 Agricultural Outlook Conference.

